

MAY 03 2017

Mr. Dennis W. McKinney  
Senior Director, Corporate EHS and Global Citizenship  
Fortune Brands Home and Security  
520 Lake Cook Road  
Deerfield, Illinois 60015

RE: Revised Remedy Implementation Plan for the Former Waterloo Industries Facility,  
300 Ansborough Avenue, Waterloo, Iowa, February 8, 2017  
EPA ID # IAD005277959

Dear Mr. McKinney:

The U.S. Environmental Protection Agency Region 7 has reviewed the subject document, received February 9, 2017. Because of the complexity of the approval process for this document, and a desire to support Fortune Brands beginning the fieldwork to implement this remedy as soon as possible, the EPA is commenting on and approving the document in stages as the reviews of separate sections are complete.

The cost estimate in Appendix F of the RIP cannot be approved as provided. Based on the enclosed independent third-party evaluation of the cost estimate using RACER software, the total cost of \$740,189 is likely substantially less than the actual costs to implement the remedy. The independent cost estimate of \$1,159,186 is higher primarily because of an assumed longer period of remedy operation (five years rather than three) and higher estimated annual monitoring costs. The EPA believes this higher value better reflects uncertainties in system performance over time and in the calculated individual line-item costs that make up the estimate.

The EPA requests that you revise the cost estimate in Appendix F of the RIP to better reflect the uncertainties summarized in this letter and detailed in the enclosed third-party cost estimate. Alternatively, you may simply adopt the attached third-party cost estimate and revise Appendix F of the RIP to include it. If you choose to revise your cost estimate and calculate a cost that is substantially less than the independent cost estimate, you should thoroughly document the differing assumptions, uncertainties and values used in your estimate to justify your calculated cost.

Annual reviews of the amount of financial assurance will be required during the period of remedy construction and operation. During these reviews, as the work is performed and uncertainties in the cost estimate are reduced, the EPA will entertain requests to reduce the amount of financial assurance that is required for this facility.

Please provide a revised Appendix F to the RIP incorporating these changes within 30 days of your receipt of this letter. If you have any questions, please call me at (913) 551-7324.

Sincerely,

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CONCURRENCES		
SYMBOL	WRAP	WRAP
NAME	Gravatt	Johnson
INITIALS/DATE	DA 5/3/17	(X) 5/3/17

RCRA 05/03/2017



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Daniel Gravatt, P.G.  
Project Manager  
RCRA Corrective Action and Permits Section  
Waste Remediation and Permitting Branch  
Air and Waste Management Division

Enclosure

cc: Mark Seaman, ERM  
Amie Davidson, IDNR